



Larry Hogan, Governor  
Boyd K. Rutherford, Lt. Governor  
Mary Beth Tung, Director

## OFFSHORE WIND BUSINESS DEVELOPMENT GRANT PROGRAM (FY 2018)

**Funding Opportunity Announcement**

**March 2017**

### I. Program Overview

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The Maryland Energy Administration (MEA) Offshore Wind Business Development Grant Program (Fiscal Year 2018) will provide grant funding on a **competitive basis** to help defray barrier entry costs of Maryland's emerging businesses, including minority owned emerging businesses, entering the global offshore wind industry. MEA will consider applications in the two following Areas of Interest (AOI):

1. **Area of Interest 1 (AOI 1):** Market Entry Assistance
2. **Area of Interest 2 (AOI 2):** Capital Expenditures and Facilities Upgrades

For more information please visit MEAs website at [www.energy.maryland.gov](http://www.energy.maryland.gov).

### II. Program Budget

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MEA has requested \$600,000 be made available for the Offshore Wind Business Development Grant Program for Fiscal Year 2018. MEA will initially reserve \$200,000 of total grant funding for AOI 1 and \$400,000 of total grant funding for AOI 2. MEA reserves the right to redistribute reserved grant funding between the AOIs as needed.

### III. Funding Eligibility

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The Offshore Wind Business Development Grant Program is open to the following entities:

- Emerging businesses, including minority owned emerging businesses.

The Maryland Offshore Wind Energy Act of 2013 defines an emerging business as:

*[A] business that is at least 51% owned and controlled by an individual or individuals who are certified to have a personal net worth, as defined in § 14-301 of the State Finance and Procurement Article, that does not exceed \$6,500,000 as adjusted each year for inflation according to the Consumer Price Index (Md. Code Ann., State Government § 9-20C-01(e)).*

Applicants that do not meet this requirement are not eligible to receive grant funding from the

## Offshore Wind Business Development Grant Program.

The Maryland Offshore Wind Energy Act of 2013 included language encouraging minority participation in the offshore wind industry. Following the spirit of the law, MEA strongly encourages emerging businesses and non-profits representing and working to empower Maryland's underserved communities, including minorities (as defined in Md. Code Ann., State Government § 9-20C-01(g)), and veterans of the United States Armed Services to apply to the Offshore Wind Business Development Grant Program.

### **IV. Project Descriptions**

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#### **AOI 1: Market Entry Assistance**

- Grant funds can be used to help defray costs that are required for bidding on a specific, identified business opportunity in the global offshore wind supply chain. Grant funds may be used for administrative expenses including, but not limited to, translation services for specifications or technical designs and for the purchase of technical specifications from publishers.
- In certain cases where travel is shown to be necessary (such as for conclusive bid negotiations), a portion of those costs may be considered and included as part of the grant award. Up to 25 percent of the total grant award may be used for travel costs. MEA will not consider travel costs for “exploratory” business dealings and discussions.
- Grant awards will cover 100 percent of specified administrative expenses, up to \$25,000 per applicant.
- MEA anticipates issuing between one and eight awards for AOI 1 depending on the number and quality of applications received.
- Applicants who are awarded a grant through AOI 1 may apply for an additional grant for AOI 2 in a subsequent fiscal year.

#### **AOI 2: Capital Expenditures and Facilities Upgrades**

- Grant funds can be used to help offset entry barrier costs that are restrictive or create a high risk to the applicant. Grant funds can be used to offset facilities and/or capital equipment acquisition costs, necessary for the export of offshore wind goods and services through previously secured contracts or conditional purchase orders.
- MEA anticipates issuing one or two grant awards in amounts between \$200,000 and \$400,000 for AOI 2 depending on the number and quality of applications received.

- Applicants must provide a cost share of at least 50 percent for AOI 2.
- Applicants who were awarded a grant through AOI 1 in a previous fiscal year may apply for AOI 2.

## **V. Application**

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### **Required Application Materials**

1. A completed and signed Fiscal Year 2018 Offshore Wind Business Development Grant Program application form;
2. A narrative of no more than 10 8½ by 11-inch pages with 1 inch margins in 12 point font, including the following sections:
  - a. *Description.* This section should give the review team a broad overview of the proposed business opportunity. It should help the review team to understand how/why the business opportunity is viable and can be completed within the required timeframe. It should include, at a minimum, the following:
    - i. An overview discussion of the project and/or business opportunity;
    - ii. Details about the business location(s) and facility(s);
    - iii. A discussion of economic and development opportunities that stem from the business opportunity in the offshore wind industry as well as any other industry;
    - iv. A discussion of potential market/s estimates for the business;
    - v. A discussion of any potential issues (legal, regulatory, etc.) the project could encounter;
    - vi. A work plan and project timeline with key internal milestones;
    - vii. Details about each business partner, including the nature of commitments made (financial or otherwise) by each project partner, the breakdown of responsibilities among project partners, biographies of key personnel to be involved in the project, and corporate qualifications; and,
  - b. *Project Budget and Grant Request.* This section should include details on total anticipated project costs, cost-share, and how the applicant intends to use grant funds. It should address why grant funding is necessary to implement the project, as well as how grant funds will increase business and economic development. It should include, at minimum, the following:

- i. A description of how the applicant intends to use grant funds;
  - ii. A total project budget with line items for equipment, labor, personnel, permitting/inspections, and administrative expenses (this can reference the pro-forma);
  - iii. Other sources of leveraged funds to be used in the project, including other federal/state grants and cash or in-kind services (**if applying to AOI 2**).
3. A certificate of status from the Maryland Department of Assessments and Taxation showing the applicant is in good standing with the State of Maryland (SDAT). Certificates of status can be ordered from SDAT online at [www.dat.maryland.gov](http://www.dat.maryland.gov). Government entities are exempt from this requirement;
4. Applicants must provide sufficient documentation, as determined by MEA, to demonstrate that the business is at least 51 percent owned and controlled by an individual or individuals who are certified to have a personal net worth, as defined in § 14-301 of the State Finance and Procurement Article, that does not exceed \$6,500,000 as adjusted each year for inflation according to the Consumer Price Index;
5. A financial pro-forma for the proposal including total cost, revenue streams, and relevant assumptions. Include a discussion of any values that cannot be quantified. (Note: Any confidential information on the pro-forma should be labeled accordingly by the applicant);
6. All UL listing(s) and/or any other nationally recognized testing laboratory certifications for equipment required for permitting and installations;
7. Site map (Google Earth) with location of the proposed business opportunity;
8. Letter(s) of commitment from business financial partner/s indicating that funds are available or financing is secured for completion of the proposed project; and,
9. Letter(s) of support from all business partners.

### **Confidentiality**

Please mark or otherwise indicate any portion of your application that you believe is confidential so that MEA may treat that portion accordingly, subject to the Maryland Public Information Act.

## **VI. Evaluation**

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### **Evaluation Process**

Qualified staff from MEA and/or other State agencies and institutions will form the evaluation team and review applications on a **competitive basis**. MEA reserves the right to contact applicants

with questions and requests for additional information about the project proposals during the application review period. After an initial review, an applicant may be invited to present their proposal in person and answer questions from a panel of reviewers.

## Evaluation Criteria

Applications will be evaluated according to the following criteria.

- The proposed business opportunity and its strategic importance in developing Maryland's offshore wind supply chain and any other industry;
- The likelihood of success of the applicant's proposed business opportunity;
- Cost-effectiveness of the proposed business opportunity;
- Percentage of any matching or shared funds available to the applicant for the proposed business opportunity (**if applying to AOI 2**);
- The advantages that the proposed business opportunity will bring to Maryland and the Mid-Atlantic offshore wind supply chains;
- Demonstration or verification that either:
  - The applicant's proposed practices or manufacturing is of equal or better standards than that presently used within the relevant export market; or,
  - The applicant is providing an innovative approach, technology, or methodology that will provide an advantage.
- The proposed business opportunity could provide a projected, quantifiable increase in job opportunities within the specified applicant's Maryland facility;
- Geographic diversity; and,
- Completeness of application.

## VII. Anticipated Timeline

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The following timeline applies to the Offshore Wind Business Development Grant Program:

**March 2017:** Fiscal Year 2018 program is anticipated to be announced

**September 1, 2017:** Applications due by **12:00 pm** to [wind.mea@maryland.gov](mailto:wind.mea@maryland.gov)

**October 2017:** Applicants deemed eligible for further consideration may be invited for in-person presentations, subject to funding availability

**December 2017:** Target for grant award announcements

**February 2018:** Target date for having grant agreements signed (projects begin)

## **VIII. Funding Requirements, Restrictions, and Conditions**

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- Emerging businesses must demonstrate they are registered to do business in the State of Maryland and are in good standing with the Maryland Department of Assessments and Taxation (SDAT) by submitting a certificate of status.
- Applicants selected for an award under this Program shall be required to submit an IRS W9 form to MEA prior to entering into a Grant Agreement. Instructions regarding W9 submission to MEA will be provided to successful applicants with the notice of grant award.
- All projects and emerging businesses must be located in the State of Maryland.
- If an applicant is chosen to receive a grant award from the Offshore Wind Business Development Grant Program, MEA will require additional documentation demonstrating applicant is a qualified emerging business.
- To receive grant funding for a project, the successful applicant must enter into a Grant Agreement with MEA by February 1, 2018, unless an extension is given in writing by MEA.
- A grant award will not be made for any work commenced prior to the effective date of the Grant Agreement with MEA.
- Prior to the start of construction, all projects selected for grant award must be reviewed by the Maryland Historical Trust (MHT) or the qualified historic preservation expert on MEA's staff to ensure that no historic property will be adversely impacted. MEA may require the Grantee to provide additional information concerning the proposed project site, in order to enable the historic preservation review. Any project identified to cause adverse impacts on historic properties shall not be eligible for grant funding under this Program.
- MEA reserves the right to obligate all, some, or none of the Offshore Wind Business Development Grant Program budget, based on the number, quality, and eligibility of submitted applications.
- Any grant payment is contingent upon inspection of the project by MEA, at MEA's discretion, and compliance with all program requirements and terms and conditions. The Offshore Wind Business Development Fund is used to provide grants for both the Offshore Wind Business Development Grant Program and Offshore Wind Workforce Development Grant Program. MEA reserves the right at its sole discretion and without notice to redistribute program grant funding between these two programs.

## **IX. Questions**

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Grant application questions should be submitted to Samuel Beirne, Wind Energy Program Manager via email at [wind.mea@maryland.gov](mailto:wind.mea@maryland.gov).

Questions about program design will be posted to the Offshore Wind Business Development Grant Program webpage after identifying information is removed. The postings will be updated as needed.

## **X. Submission**

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While MEA prefers electronic application submissions, hardcopy applications will be accepted. All electronic files sent to MEA must be attached as a **single document**. MEA will not consider late applications.

Please Submit Application Packages by **12:00 pm (Noon) on Friday, September 1, 2017** to:

[wind.mea@maryland.gov](mailto:wind.mea@maryland.gov)

(Adobe PDF Format)

**OR**

Maryland Energy Administration  
Offshore Wind Business Development Grant Program  
1800 Washington Boulevard, Suite 755  
Baltimore, MD 21230

**APPLICATIONS WILL NOT BE ACCEPTED AFTER  
12:00 PM (NOON), FRIDAY, SEPTEMBER 1, 2017**